

*Delaware Public Employees' Retirement System
State Employees' Pension Plan*

Retirement Planning



Presented by the State of Delaware Office of Pensions

Statistics (as of 6/30/17)

- 33,424 Retirees (including terminated vested) from all nine plans
 - 26,179 from State Employees' Pension Plan (SEPP)
- 43,744 Active Members in all nine plans
 - 36,198 in SEPP
- Over \$9.5 billion in the Delaware Public Employees' Retirement System (8 pension plans, 1 length of service award plan, 3 post-retirement trusts, 1 investment pool)
 - Assets of \$8.5 billion in SEPP
 - Approximately 85.3% funding ratio for SEPP

Pension Contributions

- Deducted after first \$6,000 of earnings each calendar year
- First Hired Prior to 1/1/2012
 - 3% contribution
 - Correctional Officers/Specified Peace Officers – 5% contribution
- First Hired on or After 1/1/2012
 - 5% contribution
 - Correctional Officers/Specified Peace Officers – 7% contribution
- Employer Contributions
 - FY 2018 – 10.42% of salary

Retirement Eligibility – Unreduced Service Pension

- First Hired Prior to 1/1/2012
 - 30 years of pension credited service at any age
 - Age 60 with at least 15 years of pension credited service
 - Age 62 with at least 5 consecutive years of pension credited service
- Hired on or After 1/1/2012
 - 30 years of pension credited service at any age
 - Age 60 with at least 20 years of pension credited service
 - Age 65 with at least 10 years of pension credited service (5 years consecutive)
- Correctional Officer/Specified Peace Officer
 - 25 years of pension credited service regardless of age with 20 years as a Correctional Officer/Specified Peace Officer (5 consecutive years)

Retirement Eligibility – Reduced Service/Age Pension

- 25 years of pension credited service at any age
OR
- Age 55 with at least 15 years of pension credited service
- First Hired Prior to 1/1/2012
 - Reduced 0.2% for each month short of 30 years
 - Reduced 0.2% for each month under Age 60
- Hired on or After 1/1/2012
 - Reduced 0.4% for each month short of 30 years
 - Reduced 0.4% for each month under Age 60

Retirement Eligibility – Vested Pension

- First Hired Prior to 1/1/2012
 - Must have 5 consecutive years of pension credited service
 - Pension is effective first of the month following 62nd birthday
- Hired on or After 1/1/2012
 - Must have 10 years of pension credited service (5 years must be consecutive)
 - Pension is effective first of the month following 65th birthday

Unified Pension

- May combine service in the following Pension Plans with service in the SEPP provided not collecting a pension from them
 - County & Municipal General Employees'
 - New State Police
 - County & Municipal Police & Firefighters
 - Judicial

Buy-In Options Upon Retirement

- Approved medical or personal leaves of absence
- Sick Leave
- Actuarial (Ex: Military, Other Governmental)*
- Other Professional Educational Experience (OPEE)*

*Buy-in options must be approved and/or verified by the Office of Pensions prior to retirement

Payment For Eligible Buy-In Options

- Payment for the purchase of an approved buy-in is calculated at the time of the employee's retirement
- Written notification will be mailed directly to the home address the month the retiree will receive their first pension benefit
 - Must be paid prior to issuance of first benefit
- Can be purchased one of three ways:
 - Deducted from first monthly pension, if sufficient to cover the entire cost
 - Personal check
 - Rollover from a qualified tax-sheltered account
 - 401(A), 457(B), 403(B) (under certain circumstances), or an IRA

Payment for Leave Accruals

- You may be entitled to payment for sick and annual leave accruals
- Payment is made by your Organization
- Contact your Human Resources or Payroll representative for entitlement, estimated payoff amount and date to expect payment

Who is an Eligible Survivor?

- A survivor is a person eligible to receive a monthly pension at the time of the active member or pensioner's death
 - Spouse
 - Child/children under age 18, unmarried, and if between the ages of 18 and 22, a full-time student
 - Child permanently disabled as a result of a disability that began before the child attained age 18
 - Dependent parent(s)

Joint And Survivor Benefit

- Payable to an eligible survivor
- Election must be made
- One-time irrevocable
- Pensioner's monthly pension reduced for lifetime
 - 50% = No reduction
 - 66.67% = 2% reduction
 - 75% = 3% reduction
 - 100% = 6% reduction

Who is a Beneficiary?

- A beneficiary is named on the Member Actuarial Information form or the Contributory Designation/Change of Beneficiary form and receives a lump sum distribution of the balance of member paid pension contributions, plus interest, in the event that there is no eligible survivor at the time of the member's death

Calculating Your Estimated Monthly Pension

Visit www.delawarepensions.com

State of Delaware Office of Pensions

McArdle Building, 860 Silver Lake Blvd., Suite #1, Dover, DE 19904-2402

Toll Free: (800) 722-7300 • Local: (302) 739-4208 • Email: pensionoffice@state.de.us

What are you looking for?

Google™ Custom Search



Do you have questions? Please look through our FAQ section.

Here you will find answers to frequently asked questions on Retiring, State Employee's Pension Plan and more.

LEARN MORE

At a Glance

Next payment date for Pensioners

September 30

[Complete payment date list](#)

[Pension Calculators](#)

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Calculating Your Estimated Monthly Pension

Calculators

Select an option below:

State Employees
Pension Calculator

Correctional/Specified Peace
Officer Pension Calculator

New State Police
Pension Calculator

Revised Judicial
Pension Calculator

Diamond State Port
Corporation

Delaware Volunteer Firemen
Pension Calculator

County and Municipal
(General)

County and Municipal
(Police/Firefighter)

Tax Withholdings
(Federal and State)

1 ESTIMATED CREDITED SERVICE

Compute your estimated Monthly Pension:

(If you are thinking about early retirement use the top calculator **and** **then** use the bottom calculator)

Compute your estimated Tax Withholding:

[Tax Withholding Calculators](#)

Helpful Hint:

Do not use commas in the combined highest 3 year compensation field. For example, type 100000 instead of 100,000.

Mini-Calculator			
<input type="text"/>			
1	2	3	+
4	5	6	-
7	8	9	x
c	0	=	/
Click '=' will auto-fill Compensation Amount			

Please choose the nearest month or decimal in accordance with your State of Delaware service.

Prior to January 1, 1997 - Years Months

After December 31, 1996 - Years Months

COMBINED HIGHEST 3 YEAR COMPENSATION: \$

Your total creditable compensation is the total compensation paid to you during the three periods of 12 consecutive months during which your compensation was the highest.

COMPUTE

CLEAR

2 YOUR MONTHLY EARNINGS PENSION INFORMATION

CALCULATIONS ARE ESTIMATED

Monthly Final Average Earnings	3496.15	\$ 1623.09	\$ 1590.63	\$ 1574.40	\$ 1525.70
Calculation factor years of service prior 1/1/97	69.92	estimated monthly pension 50% survivor option.	estimated monthly pension 66.67% survivor option.	estimated monthly pension 75% survivor option.	estimated monthly pension 100% survivor option.
Calculation factor years of service after 12/31/96	64.68				
Credited number years of service prior Jan. 1, 1997	1.1667				
Credited number years service after Dec. 31, 1996	23.8333				

3 ADDITIONAL CALCULATORS

CALCULATIONS ARE ESTIMATED

NOTE: You must perform calculation in Step #1 first for the additional calculators to work properly.

IF EARLY RETIREMENT...

Enter number of months reduced
then click 'COMPUTE'

60

Your monthly reduction:

\$ 194.77

\$ 1428.32	\$ 1399.75	\$ 1385.47	\$ 1342.62
estimated monthly pension 50% survivor option.	estimated monthly pension 66.67% survivor option.	estimated monthly pension 75% survivor option.	estimated monthly pension 100% survivor option.
COMPUTE		CLEAR	

IF SICK LEAVE BUY-IN OPTION...

Enter total sick time hours- then click 'COMPUTE'

1500

Buy-in months available:

5

Estimated Buy-in cost:

\$

874.04

Estimated Monthly Pension Increase:

\$

26.95

Buy-in Hours Help Chart

\$

1650.04

estimated
monthly
pension
50%
survivor
option.

\$

1617.04

estimated
monthly
pension
66.67%
survivor
option.

\$

1600.54

estimated
monthly
pension
75%
survivor
option.

\$

1551.04

estimated
monthly
pension
100%
survivor
option.

COMPUTE

CLEAR

IF ACTUARIAL BUY-IN (1 year Buy-in amount)...

Select Age at Retirement- then click 'COMPUTE'

50



☒ Years of Service Prior to 1/1/1997

☐ Years of Service After 12/31/1996

Monthly Pension Increased by buy-in option:

\$

69.92

Buy-in Cost:

\$

10488.46

Recoupment Period (No. of Years):

12.5000

\$

1693.01

Estimated
Monthly
Pension if
electing
50%
survivor
option with
buy-in

\$

1659.15

Estimated
Monthly
Pension if
electing
66.67%
survivor
option with
buy-in

\$

1642.22

Estimated
Monthly
Pension if
electing
75%
survivor
option with
buy-in

\$

1591.43

Estimated
Monthly
Pension if
electing
100%
survivor
option with
buy-in

COMPUTE

CLEAR

Final Total of Estimated Monthly Pension

FINAL TOTAL

If any additional calculators were used:

UPDATED PENSION AMOUNT:

\$ 1525.19

\$ 1494.69

\$ 1479.43

\$ 1433.68

**Estimated
Monthly
Pension if
electing
50%
survivor
option**

**Estimated
Monthly
Pension if
electing
66.67%
survivor
option**

**Estimated
Monthly
Pension if
electing
75%
survivor
option**

**Estimated
Monthly
Pension if
electing
100%
survivor
option**

Print a complete Estimate Summary based on the data input.

Burial Benefit

- \$7,000 benefit
- No cost to pensioner
- Beneficiary(ies) designation
- Payment is taxable

Health Insurance

- All plans coupled with prescription plan coverage (except Special Medicfill non-prescription coverage option)
 - Changes in coverage once a year during the open enrollment period in May; changes are effective July 1st
 - Medicare–eligible members' open enrollment period occurs in October; changes effective January 1st
- Life Changing Event – Changes must be done within 30 days of the event
- If eligible for double state share please visit <http://ben.omb.delaware.gov/dss/index.shtml> for premium information

Health Insurance

- Health benefits are available with the “State Share” paid by the State of Delaware for members:
 - First hired prior to 7/1/1991
 - Disability Pensioners
 - Members on Long Term Disability

Health Insurance

- For members first hired on or after 7/1/1991 through 12/31/06, the following portion of the “State Share” will be paid by the State of Delaware:
 - Less than 10 years of credited service 0%
 - 10 years – 14 years 11 months 50%
 - 15 years – 19 years 11 months 75%
 - At least 20 years 100%

Health Insurance

- For members first hired on or after 1/1/07, the following portion of the “State Share” will be paid by the State of Delaware:

• Less than 15 years of credited service	0%
• 15 years – 17 years 5 months	50%
• 17 years 6 months – 19 years 11 months	75%
• At least 20 years	100%

Example

Non-Medicare Rates Effective July 1, 2016			
	Total Monthly Rate	State Share	Pensioner Pays
Highmark Delaware First State Basic Plan			
Employee	\$695.36	\$667.52	\$27.84
Employee & Spouse	\$1,438.68	\$1,381.16	\$57.52
Employee & Child(ren)	\$1,057.02	\$1,014.76	\$42.26
Family	\$1,798.42	\$1,726.50	\$71.92

Member first hired on 10/16/1991 retiring with 14 years of pension creditable service

Chooses Employee coverage:

$\$667.52 \times 50\% = \$333.76 + \$27.84 = \361.60 per month

Medicare Coverage

- Medicare becomes primary health insurance through Social Security (SS) when an individual attains age 65 or SS determines eligibility
 - Medicare Part A
 - Hospital
 - Required to enroll upon eligibility
 - Medicare Part B
 - Medical (doctors, supplies, etc.)
 - Not required until retirement or no longer have active employer coverage
 - Medicare Part D
 - Prescriptions
 - If enrolled in State Supplement plan with prescription option, includes Enhanced Part D program

Example

Medicare Supplement - Special Medicfill Rates Effective January 1, 2017			
	Total Monthly Rate	State Share	Pensioner Pays
Highmark Delaware Medicare Supplement			
Special Medicfill with Prescription	\$459.38	\$436.42	\$22.96
Special Medicfill without Prescription*	\$260.44	\$247.44	\$13.00
*Medicare Supplement plan WITHOUT prescription is provided for Medicare Beneficiaries enrolled in Medicare Part D			

Member first hired on 10/16/1991 retiring with 14 years of pension creditable service

Chooses Special Medicfill with Prescription:
 $\$436.42 \times 50\% = \$218.21 + \$22.96 = \241.17 per month

Dental & Vision Insurance

- Same Plans (Merit System)
- Life Changing Event – Changes must be done within 30 days of the event
- Automatic payroll deduction

Blood Bank

- The Blood Bank of Delmarva needs the support of everyone in our community
- Participation is free and reward points are earned by donating blood or platelets
- Visit the blood bank at:
<http://ben.omb.delaware.gov/blood/index.shtml> or
<https://www.delmarvablood.org/>
- To confirm or begin participation with Members for Life, please contact Blood Bank of Delmarva by e-mail at membership@bbd.org or by phone at (800) 548-4009

Securian Insurance

- Available to eligible active members who want to maintain Group Universal Life (GUL) after retirement
- Premiums must be paid directly to Securian

Direct Deposit

- Mandatory for monthly pension
- Deposited on the last business day of each month

Taxes

- Monthly pension is taxable by the Federal Government
- May or may not be taxable in the State where the retiree maintains permanent residence
- Form 1099-R

Payment of First Monthly Pension

- Lag Payroll – Lag Pension
- Monthly pension is calculated after the receipt of your final pay from your Organization
- Online pay advices

Working After Retirement

- Only applies if considering employment with an organization participating in the State Employees' Pension Plan
 - Per Delaware statute and IRS guidelines
 - If under age 65 – must have a bona fide separation of at least six months
 - If over age 65 – a bona fide separation is not required
- EITHER OF THE ABOVE AND**
- Must be in a non-pension covered position
 - Earnings limit \$30,000 – Monthly pension offset \$1 for every \$2 earned over the limit

Post Retirement Increases (PRI)

- A PRI is a pension increase received after retirement
- Granted upon Legislative approval

So...Ready for Retirement?

- Written notification to supervisor or Human Resources four months prior to retirement
- Human Resources
 - Validates eligibility to retire
 - Prepares pension application
 - Verifies pension creditable service
 - Submits application to Office of Pensions for acceptance
 - Schedules appointment with member to complete the pension packet
- Member
 - Gathers personal documents needed for self, spouse and eligible dependent(s) as applicable

After You Retire

The Office of Pensions maintains pensioner records

- Updates must be in writing
 - Name
 - Address
 - Other personal information
- Available to answer questions or concerns

Contact the Office of Pensions

- Website: www.delawarepensions.com
- Email address: Pensionoffice@state.de.us
 - Phone: (302) 739-4208
 - Toll free: (800) 722-7300
 - Fax: (302) 739-6129
- Office Address: McArdle Building
860 Silver Lake Blvd, Ste. 1
Dover, DE 19904-2402



Confirm Your Beneficiary Designation

- Call Voya Customer Service - **800-584-6001**
- www.DelawareDefer.com

State of Delaware Deferred Compensation Plans

Enrollment
View all of the information you need to Enroll.

[Enroll Now](#)

Account Login
Already Contributing? Log in to manage your account.

[Login](#)



- Log In To Your Account
- Savings Plans
- "I Want To"
- Select an Option
- Change Beneficiary



DELAWARE RETIREMENT SAVINGS PLAN
DEFER
For a brighter tomorrow™

Portfolio List

Savings Plans

The total of your Savir

Plan Name	As of Date	I want to	Details
Employer's Savings Plan I	01/01/YYYY	<ul style="list-style-type: none"> Leaving? Know Your Options 	of Return (YTD)
Employer's Savings Plan II	01/01/YYYY	<ul style="list-style-type: none"> of Return (YTD) 	of Return (YTD)

Will you be ready for retirement?

Marketwatch

- Select an Option
- Go to Account
- Check Balance
- Check Contributions
- Change Contributions
- Check Available Loans
- Check Investment Elections
- Go to Model Portfolio Election
- Check Personal Rate of Return
- Request a Loan
- Request a Withdrawal
- Transfer Current Balance Between Funds
- Change Future Investment Elections
- Reallocate Current Balance
- View Transaction History
- Change Beneficiary

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